

this ruinous measure excited, and the Emperor's eyes were length opened on the subject by the following circumstance. In spite of the sincerity with which the Danish government professed to enforce the Continental system, Holstein contained a great quantity of colonial produce; and, notwithstanding the measures of severity, it was necessary that the merchandise should find a market somewhere. The smuggle often succeeded in introducing it into Germany, and the who would probably soon have passed the custom-house limits. A thing considered, I thought it advisable to make, the best an evil that could not be avoided. I therefore proposed that the colonial produce then in Holstein, and which had been imported before the date of the King's edict for its prohibition, should be allowed to enter Hamburg on the payment of 10, and on some articles 40, per cent. This duty was to be collected at the custom-house, and was to be confined entire to articles consumed in Germany. The colonial produce of Altona, Lütkestadt, Husum, and other towns of Holstein, had been estimated at about 10,000,000 francs, and the duty would amount to 10,000,000 or 12,000,000. The adoption of this plan I proposed would naturally put a stop to smuggling for it could not be doubted that the merchants would give 33 per cent for the right of carrying on a lawful trade rather than give 40 per cent to the smugglers, with the chance of seizure.

The Emperor immediately adopted my idea, for I submitted my suggestions to the Minister for Foreign Affairs & the Emperor on the 4th of October a decree was issued conformable to the plan I proposed. Within six weeks after the measure came into operation the Director received 1300 declarations from persons holding colonial property in Holstein. It now appeared that the duties would amount to 40,000,000 francs, that is to say, 28,000,000 (the difference) more than my estimate.

Bernadotte had just been nominated Prince Royal of Sweden. This nomination, with all the

circumstances connected with it, and  
well as Beruadotte's residence in  
Hamburgh before he: <sup>1</sup> proceeded to  
Stockholm, will be particularly notice-